

Maryland Economic Development Commission



**2013 Annual Report to the General Assembly
of the
Maryland Economic Development Commission**

In Accordance with Maryland State Code,
Economic Development Article, Section 2-207(a)

Submitted

July 2014

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I. Executive Summary

The Maryland Economic Development Commission (Commission), in accordance with § 2-207 of the Economic Development Article of the Maryland State Code (see Appendix B), hereby submits to the General Assembly of Maryland, a report of the 2013 activities of the Commission. The past year has been productive for the Commission in implementing the four core economic development strategies identified in the 2011 Commission's five-year strategic plan.

Strategic Economic Development: Review of Strategic Plan Implementation

The four strategies outlined in the five-year strategic plan have been driving the Commission's efforts throughout the year, as well as some of the Maryland Department of Business and Economic Development's (DBED) key initiatives that are currently underway. The Commission has worked closely not only with DBED in helping to promote these initiatives, but with a variety of other economic development boards, commissions, and organizations that exist within DBED and in the larger business community. In doing so, the Commission hopes to better leverage the knowledge and resources that exist in Maryland's economic development community in order to focus on its mission to create and retain jobs, and improve the conditions that support job creation.

Listed below are the four core strategies outlined in the strategic plan showing how the Commission has been working with DBED to achieve those strategic goals:

Strategy I: Position Maryland for Growth

The Strategic Plan called for accelerating efforts to sustain a knowledge-dependent, innovation-based and technology-driven entrepreneurial economy. The Commission and DBED have worked towards this end through focusing on ideas and initiatives that support entrepreneurship, innovation, and the commercialization of new technologies. The creation of the InvestMaryland venture capital program is the cornerstone of this effort, as it brings seed and early-stage capital to Maryland's most innovative entrepreneurs accelerating commercialization. Coupled with this program is the InvestMaryland Challenge which is a business competition created to continue building momentum around entrepreneurship to award and support promising new business ventures.

Encouraging further information sharing, network building, and public-private collaboration is a key goal of the Commission moving forward. The Commission has been a strong proponent for the development of an Innovation Portal, for which an appropriation was set aside in the amount of \$150,000 during the 2013 session of the General Assembly. The portal is in development as a collaboration between DBED and the Maryland Technology Development Corporation (TEDCO) with first phase of development expected in early 2014.

Strategy II: Build on Existing Strengths

The Strategic Plan also called for investing in life sciences, information technology, federal and military-related economic activity, and other emerging technologies. In accordance with the Commission's plan, DBED has sharpened its focus in these high-growth, sector-specific areas with the creation in 2012 of a new unit, the Office of Strategic Industries and Innovation (OSII). There are four strategic industry sectors that OSII has targeted: Clean Energy and Sustainability;

Manufacturing; Health IT/Bio; and Aerospace and Defense. Additional programs are targeted to Maryland's business and technology development in (a) the entrepreneurial and startup communities and (b) Maryland's federal facilities.

DBED has built an expert staff to handle the growing cybersecurity industry. Jeffrey Wells was hired as Executive Director of Cyber Development to focus on business development and industry outreach.

Commissioners with expert industry related acumen have volunteered additional time to readily work alongside DBED business development representatives working to attract companies to Maryland as well as retaining companies already located in Maryland.

Of importance, the Commission received support directly from OSII staff, allowing it to be closely involved with OSII's mission. The Commission will continue to provide input to OSII and DBED as they work to develop sector-specific strategies.

Strategy III: Embrace Regional and Economic Diversity

Next, the Strategic Plan called for supporting innovation and investment in industries that are critical to specific regions of Maryland, to include agriculture, manufacturing and tourism. The Plan also called for listening to the concerns of our regional economic development partners to better understand regional needs. The Commissioners met in Western Maryland to discuss the need to develop Maryland's pool of skilled labor, expand "last-mile" broadband access to rural areas, and support industries such as manufacturing and tourism.

As a result, the Commission intends to consistently work with local partners, with the Maryland Advisory Commission on Manufacturing Competitiveness (MACMC), the Maryland Department of Labor, Licensing, and Regulation (DLLR), and academia on efforts to increase skills training opportunities. With regard to last-mile broadband, achieving this will require significant capital investment that will depend upon robust public-private partnerships. The Commission supports establishing a framework for such activities legislatively during the 2014 General Assembly session. Furthermore, a concerted effort to support the expansion of manufacturing was a key area for collaboration with the MACMC during 2013.

Recognizing the push to expand the manufacturing industry, the Office of Strategic Industries and Innovation (OSII) added Carl Livesay to the staff as Manufacturing Program Director where he works to help manufacturers create jobs, improve prosperity and overcome barriers to success.

Strategy IV: Make it Easy to Do Business in Maryland

Finally, the Strategic Plan called for making it easy to do business in Maryland through predictability, transparency and automation. The Commission has worked with DBED and the Governor's Office toward this end through a number of high profile initiatives. These efforts include the Maryland Made Easy initiative which provides a platform that brings agencies together to work through business-related issues and FastTrack, which streamlines permitting for significant economic development projects. The Commission has fully supported the successful implementation of the Central Business Licensing (CBL) an online licensing and permitting

function which allows businesses to get the most sought-after licenses and permits online in one location.

The Commission's Business Climate subcommittee will continue to provide input and ideas with regard to how to make it easier to do business in Maryland by identifying ways that the State can continue to improve its customer service.

II. The Commission in 2013

Maryland Economic Development Commission Overview

Mission

In accordance with Maryland State Code, Economic Development Article, sections 2-201 through 2-207 (see Appendix B), the mission of the Commission is to establish economic development policy in the State and to oversee DBED's efforts to support the creation, attraction, and retention of businesses and jobs.

Organization Purpose

Maryland is uniquely positioned to support an economic development environment where knowledge is transformed into products, processes, systems and services, and where entrepreneurship flourishes within a diverse economy. The State's research universities, federal labs, and highly educated workforce create a knowledge base that is ready to meet the challenges of tomorrow's innovation economy. Complementing these advantages is Maryland's rich cultural and environmental heritage. The Commission's role is to build on these existing strengths by guiding the State's decision-makers to encourage a climate where business leaders and entrepreneurs experience Maryland as ideal for both commercial endeavors and quality of life.

Organization Structure

Founded in 1995, the Maryland Economic Development Commission draws upon the expertise of the State's business leaders to inform State economic development efforts. The Commission (see Appendix A for roster) provides a comprehensive evaluation of the State's business climate and recommends to the Governor the strategic adaptation and creation of certain policies and programs, as well as the spending priorities needed. The Commission's subcommittees include Business Climate, Regional Diversity & Infrastructure, and Collaboration & Commercialization. Commission members are appointed by the Governor to three-year terms.

Subcommittees

Commission members are assigned to subcommittees based on preferences and expertise in order to provide an informed focus on each of the core strategies. Each subcommittee is tasked with narrowing the broad scope of the recommendations found in the five-year strategic plan into actionable items. This is done through direct communication and interaction with Maryland's business community and economic development advocates. Based on the needs of the business community, each group works to develop specific recommendations and ideas intended to help

Maryland provide the conditions needed to support job creation and economic growth. The role of each subcommittee is outlined below.

- *Business Climate Subcommittee*
The Business Climate subcommittee evaluates and acts upon items to enhance the State's business climate, to include issues related to regulations, licensing, and permitting, ensuring effective business incentives and financing mechanisms, growing and keeping an educated workforce, and creating a customer service oriented culture within State agencies.
- *Collaboration & Commercialization Subcommittee*
The Commercialization & Collaboration Subcommittee identifies policies and activities that promote the collaboration needed for the commercialization of technologies and innovative approaches developed by entrepreneurs and institutions located throughout the State.
- *Regional Diversity & Infrastructure Subcommittee*
This subcommittee was created by combining two prior subcommittees (Regional Economic Diversity and Infrastructure) which had overlapping issues. The Regional and Economic Diversity subcommittee evaluates and provides the State with a better understanding of regional economic development strengths and priorities, in order to promote the State's economic diversity and evaluates issues relating to the State's physical capital and its impact on economic development, and recommends policies accordingly.

2013 Review of Activities

The Commission moved forward in developing recommendations outlined in the strategic plan through a series of commission and subcommittee meetings concentrated around developing specific ideas to further economic development and business growth. Each activity provided each subcommittee with expert information and the crucial background knowledge needed to frame recommendations and propose implementation plans in support of the goals within the strategic plan. Outlined below is a summary of the Commission's 2013 activities:

Commission Meetings

The Commission held four regular meetings throughout the year which provided informative overviews of key initiatives taking place throughout the State, reports from entities that report to the Commission, and presentations from DBED and other state agencies and economic development partners. The subcommittees also held a number of meetings scheduled by their respective chairs.

The Commission's meetings included presentations from the Maryland Agriculture & Resource-Based Industry Development Corporation (MARBIDCO), University of Maryland School of Architecture, Planning and Preservation, Morgan State Center for Economic Development, The City of Rockville's Customer Service Manager's Office, and the Maryland Technology Development Corporation (TEDCO). Most discussions were centered around barriers to commercialization and entrepreneurial development; a means of tracking innovative technologies and start-up entrepreneurs and expanding the entrepreneurial culture in Maryland and improve customer service among agencies statewide.

Support for the InvestMaryland Challenge

The InvestMaryland Challenge (IMC) (investmarylandchallenge.org) in 2012-13 was Maryland's first national seed and early-stage business competition hosted by the State of Maryland. The IMC continues in 2013-14 for a second year, administered by DBED in coordination with a variety of stakeholders. The 2013-14 Challenge will award four selected companies \$100,000 each. In addition a host of in-kind business services will be awarded to selected companies. The competition highlights Maryland as a go-to destination for entrepreneurs, provides support for winning applicants, and generates a pipeline of exciting companies that will thrive in Maryland and that might benefit from next stage funding.

The idea behind the Challenge is one that the Commission advocated since the commencement in 2012 and is proud to provide continued support in 2013.

III. Recommendations

The Commission's work throughout 2013 generated a variety of findings that the Commission's subcommittees describe below along with a number of recommendations addressing the findings. These challenges facing the State's businesses are far from insurmountable, and in fact, some can be addressed simply through better communication and coordination between industry, government, and the public. For others, what is needed is a clear understanding of what the issues are and a strong commitment from the State's policymakers and business and government leaders to address priority issues. The Commission respectfully submits its 2013 recommendations below and identifies priority recommendations that will be the focus of the Commission's efforts moving forward.

A. Business Climate Subcommittee

The Business Climate subcommittee evaluates and acts upon items to enhance the State's business climate. The subcommittee found that the State needs to encourage better government-business relations, institutionalize better customer service at State agencies, streamline services, and promote the resources and interconnections needed for a more robust culture of entrepreneurship.

Findings/Issues:

The Business Climate subcommittee's findings include the following as there is a perception that Maryland is not a business-friendly state. This perception is often related to the following issues:

- No large steps have been taken to create a well-established culture of entrepreneurship. The pieces for a healthy business ecosystem are in place, but components remain disjointed and often, underutilized.
- The State's level of customer service needs improvement as it relates to the business community.
- Business owners lack understanding, relationships, and trust between business and decision makers. Both sides should actively work to charitably engage and understand the roles and issues facing each other.

- Businesses often cite difficulties with permitting and regulatory processes as a challenge to business growth. Of note however, it is not generally a particular permit or regulation that businesses find onerous, but an overall dissatisfaction with the process.
- Business owners have experienced a negative tone of discourse amongst policymakers and fear of potential business-hindering legislation.
- The Maryland.gov website contains an abundance of information, hindering its navigability. Links for entrepreneurs are buried at the bottom of the page.

Recommendations:

The following recommendations seek to address the above findings/issues by encouraging better government-business relations, institutionalizing better customer service, streamlining services, and promoting the resources and interconnections needed for a more robust culture of entrepreneurship:

- Increase awareness, interest, and engagement by elected officials, particularly Maryland's General Assembly, as well as other State leaders and county and municipal officials with businesses located in their districts and the issues that those businesses encounter.
- Commit more resources to Maryland Made Easy (MME) using it as a vehicle for cross-agency collaboration for annual regulatory review, vetting new proposed regulations, responding to business concerns, informing businesses and trade groups of new regulations, and tracking customer service statewide.
- Commit additional staffing to MME devoted to the ongoing improvement of Maryland's business climate creating a statewide customer service function to develop tools and metrics. Train State employees on improved customer service and ensure each agency works to improve their delivery of services in a measurable/meaningful way reporting to the Governor accordingly.
- Increase forums and events that celebrate entrepreneurs such as highlighting successful entrepreneurs, sponsoring and promoting business plan competitions, and initiating and/or sponsoring networking events to strengthen networking and broaden the ecosystem of organizations and institutions needed for a vibrant culture of entrepreneurship.
- Provide educational resources for entrepreneurs on how to pitch for financing, successful marketing, and business startup processes; expanding the role of universities to provide training and technical assistance.
- Continue to make customer service an internal DBED priority through employee training, recognizing great customer service, and through direct person to person communications via 1-888-ChooseMD and ChooseMaryland.org.
- Revamp DBED's ChooseMaryland.org website to provide a more interactive format making information easily accessible and available to the business community and integrate Maryland.gov and Choosemaryland.org links.

Priority Recommendations

- **Improve early intercession with new businesses making it easier and more welcoming to enter the State and do business.**
- **Create a customer service function in the State to ensure great customer service across state agencies. This function would develop tools and measures to gather, rate, and**

track the State's customer service environment, train State employees to provide great customer service, and ensure each agency works to improve their delivery of services in a measurable/meaningful way.

- **Lean government improvement for state agencies to streamline their processes and make service provisions to constituents more efficient and convenient.**
- **Expand Central Business Licensing (CBL) functions as an extension of the customer service improvement implementation. Establish CBL as the central point for constituent calls, concerns, and inquiries – in essence the State's "general information line" for the business community.**

B. Collaboration & Commercialization Subcommittee

The Collaboration & Commercialization subcommittee evaluates, promotes, and helps businesses capitalize upon the competitive advantages provided by the State's business incubators, trade groups and federal, academic, and private research and development activities. The subcommittee found that the State needs to create mechanisms to enhance Maryland's entrepreneurial network, create connections between investors and innovators, and track Maryland's progress in the areas of entrepreneurship and the commercialization of new ideas and technologies.

Findings/Issues:

The Collaboration & Commercialization subcommittee's findings include the following:

- Despite the significant number of organizations that provide services to entrepreneurs (lab/office space, legal assistance, financing, etc.), a more developed and cooperative entrepreneurial and business development ecosystem is needed to bring innovations to market.
- Maryland's entrepreneurial ecosystem needs to be better focused on accelerating commercialization and providing increased human, financial, and knowledge capital to entrepreneurs.
- There is a disconnect between needs and capabilities in the entrepreneurial ecosystem.
 - There is no centralized resource in Maryland directing entrepreneurs to information, resources, other entrepreneurs and innovators, networking events, initiatives, funding, consultants, mentors involved in the entrepreneurial ecosystem.
 - There is no tracking mechanism to identify and/or target innovative business startups in real time and by industry which makes it difficult for State leaders to plan for business trends and provide needed services.

Recommendations:

The following recommendations seek to address the above findings by creating mechanisms to enhance Maryland's entrepreneurial network, create connections between investors and innovators, and track Maryland's progress in the areas of entrepreneurship and the commercialization of new ideas and technologies:

- Create visibility of all primary Centers of Innovation in Maryland to include business incubators, federal laboratories, and university system technology transfer offices and concentrations of R & D.
- Identify specific resource gaps that exist for entrepreneurs.
- Enhance the entrepreneurial network by providing opportunities to learn from successful entrepreneurs, and learn specific skills such as pitching.
- Develop a system for tracking key metrics to determine performance of commercialization activities in Maryland.

Priority Recommendations

- **Develop an “open market” innovation portal to allow universities, research parks, incubators, and investors to connect with entrepreneurs, technologies, developers, and others to promote collaboration and build innovation businesses. Using the portal to expand the entrepreneurial eco-system.**
- **Establish a process for tracking innovative business startups and targeting growth companies, by industry and other metrics to maintain the pulse and landscape of innovation within industry sectors.**

C. Regional Diversity & Infrastructure Subcommittee

The Regional Diversity & Infrastructure subcommittee evaluates and provides the State with a better understanding of regional economic development strengths and priorities, in order to promote the State’s economic diversity and also evaluates issues relating to the State’s physical capital and its impact on economic development and recommends policies accordingly.

Findings/Issues:

The Regional Diversity & Infrastructure subcommittee’s findings include the following:

- New businesses are not always approached and welcomed upon entering the State.
- There is a technology gap for rural businesses in the area of broadband internet access, hindering the ability of communities to grow competitive businesses that offer good jobs for local residents.
- Maryland will not remain competitive without the labor pool needed for the jobs of tomorrow, a strong commitment to invest in workforce training programs that upgrade the skills of our workforce.
- Skilled labor is a growing concern in many skilled and technology-related sectors such as manufacturing, cyber-security, and healthcare IT.
- There is unequal promotion of Maryland’s “assets” within the State. The entire State needs to be promoted.
- There is a lack of understanding the impact on the tourism industry as it relates to legislation for changing Maryland’s public school year from after Labor day to before Labor Day.

Recommendations:

- Increase funding for the State’s workforce training programs, to re-establish the Partnership for Workforce Quality (PWQ) and the Maryland Industrial Training Program (MITP). These programs should be re-tooled to allow for greater flexibility with funding

that can be used to train both production workers and for the management-level training needed to keep companies competitive and growing.

- Conduct a feasibility study to assess the impact of an investment tax credit for state and national broadband providers that invest in underserved areas to provide “last-mile” broadband.
- Facilitate collaboration with existing regional organizations that are pushing for the expansion of broadband access in various Maryland regions.
- Expand financial investment in building the transportation, broadband, and mass transit systems required of a growing population and a high-tech economy
- Initiate and expand public-private-local partnerships for smart investments that deliver the needed capital.
- Increase funding for the Maryland Economic Development Assistance Fund’s (MEDAF) infrastructure-related funding activities to provide local governments and businesses part of the financing needed for key infrastructure projects such as “last-mile” broadband expansion, rail access projects, dredging activities, water, sewer, and other utility upgrades, required road/access improvements needed for business activities, and other infrastructure-related needs.

Priority Recommendations:

- **Promote and utilize the benefits of EARN- direct business assistance, apprenticeship initiatives and training programs for burgeoning and dwindling industries.**
- **Implement a feasibility study for the impact of broadband expansion and transportation in rural regions of the State.**
- **Substantially increase funding for the Maryland Economic Development Assistance Fund’s (MEDAF) infrastructure-related funding activities to provide local governments and businesses part of the financing needed for key infrastructure projects such as “last-mile” broadband expansion, rail access projects, dredging activities, water, sewer, and other utility upgrades, required road/access improvements needed for business activities, and other infrastructure-related needs.**
- **Create opportunities for greater public-private partnership involvement and project collaboration which are key to maintaining and expanding the transportation, broadband, and mass transit systems required of a growing population and a high-tech economy.**

IV. Going Forward in 2014 – Next Steps

The Commission will be staffed by DBED’s Office of the Secretary with support from the Division of Business & Enterprise Development.

The Commission intends to become more involved with key legislators at the direction of DBED’s Office of Policy & Government Affairs. This interaction will allow the Commission’s activities to be better aligned with legislative policy matters.

DBED will more actively engage the Commission outside Commission meetings regarding DBED initiatives and programs such as The InvestMaryland Challenge and Advance Maryland for their input, participation, sponsorship, and business recommendations.

V. Conclusion

During 2013, the Commission took a decidedly more active role in seeking to better understand and collaborate with a variety of statewide organizations and the broader business community. In embracing this role, the Commission is setting a framework for collaboration and cooperation that is essential to informed program and policy development. The Commission is dedicated to continuing to proactively engage the business community and hold events that generate interest in the Commission's work and that ensure constant dialogue and concerted efforts with other organizations and associations. The Commission hopes to do the same in 2014 to continue advocating for the business community and better leverage existing resources and expertise. We look forward to the hard work ahead and to continuing to ensure that Maryland remains a great place to live and do business.

VI. Appendices

Appendix A: Membership Roster

Appendix B: Commission Enabling Legislation

Appendix A: Membership Roster

Steve Dubin, *Chair*

Principal, SDA Ventures, LLC

Kevin Johnson, *Co-Chair*

President & CEO, Commercial Interiors, Inc.

Timothy Adams

Founder & CEO, Systems Application and Technologies, Inc.

Paul Ausley

President, Ausley Associates, Inc.

Ward Barney

COO, Cadista Pharmaceuticals

Thomas Burlin

President & CEO, Burlin Consulting Services

Susan Ganz

CEO, Lion Brothers Company, Inc.

Seth Goldman

Co-Founder, President & “TeaEO”, Honest Tea

Timothy Hodge, Jr.

Principal, Miles & Stockbridge P.C.

Reza Jafari

Chairman & CEO, E-Development International

Landon S. King, MD

Vice Dean for Research
The Johns Hopkins School of Medicine

Raj Khera

CEO, MailerMailer LLC

William “Brit” Kirwan

Chancellor, University System of Maryland

Manish Kothari

President & CEO, Sheladia Associates, Inc.

Ricardo Martinez

President & CEO, Project Enhancement Corporation

John McLaughlin

President & CEO, DAP Products, Inc.

Ellen Moyer

Retired Public Servant

Jan Russell

Co-Owner, Savage River Lodge

David Severn

Principal, Severn, O’Connor, & Kresslein, PA

A. Nayab Siddiqui

President & CEO, Scientific Systems and Software International Corporation

Robert Smelkinson

Chairman (Retired), Smelkinson Sysco Food Services

Harold Stinger

Chairman, Stinger Ghaffarian Technologies Inc.

Ex-Officio Members

Harold Adams

Chair, Governor's International Advisory Council

James C. Dinegar

President & CEO, Greater Washington Board of Trade

Donald Fry

President, Greater Baltimore Committee

Jeff Fuchs

Chair, Maryland Advisory Commission on Manufacturing Competitiveness

H. Thomas Watkins

Chair, Maryland Life Sciences Advisory Board

Kevin F. Kelly

Chair, Federal Facilities Advisory Board

Ackneil Muldrow, II

Chair, Governor's Commission on Small Business

Dominick Murray

Secretary, Maryland Development of Business and Economic Development

Kathleen Snyder

President/CEO, Maryland Chamber of Commerce

Staff

Leoné Hermans-Blackburn

Director, Office of Strategic Industries and Innovation
Maryland Department of Business and Economic Development
(October-December 2013)

Matthew Schmid

Director, Strategic Alliances
Maryland Department of Business and Economic Development
(January-October 2013)

Stacey Harvey-Reid

Assistant Director, Strategic Alliances
Maryland Department of Business and Economic Development

Appendix B: Commission Enabling Legislation

Maryland State Code, Economic Development Article, secs. 2-201 through 2-207

Title 2, Subtitle 2. Maryland Economic Development Commission.

§ 2–201. Definition.

§ 2–202. Commission Created.

§ 2–203. Composition of Commission.

§ 2–204. Officers; Executive Committee.

§ 2–205. Meetings, Voting, and Compensation.

§ 2–206. Duties and Powers of Commission.

§ 2–207. Reporting Requirements.

§ 2–201. Definition.

In this subtitle, “Commission” means the Maryland Economic Development Commission.

§ 2–202. Commission Created.

(a) There is a Maryland Economic Development Commission in the Department.

(b) The purpose of the Commission is to establish economic development policy in the State and oversee the Department’s efforts to support the creation of, attract, and retain businesses and jobs.

§ 2–203. Composition of Commission.

(a) (1) (i) The Commission consists of not more than 25 voting members appointed by the Governor with the advice and consent of the Senate.

(ii) The Secretary is a nonvoting ex officio member of the Commission.

(2) The geographic representation of the Commission shall cover the entire State and shall include at least one representative from:

(i) the upper Eastern Shore;

(ii) the lower Eastern Shore;

(iii) Calvert County, Charles County, or St. Mary’s County;

(iv) Allegany County or Garrett County; and

(v) Carroll County, Frederick County, or Washington County.

(3) When appointing Commission members, the Governor shall consider geographic and industry representation.

(4) The members appointed shall reflect the racial and gender diversity of the population of the State.

(b) The appointed members of the Commission shall have substantial interest or experience in business or knowledge of business and economic development.

(c) The Commission and its members are subject to the Maryland Public Ethics Law.

- (d) (1) The term of an appointed member is 3 years.
- (2) At the end of a term, a member continues to serve until a successor is appointed and qualifies.
- (3) A member appointed after a term has begun serves only for the remainder of the term and until a successor is appointed and qualifies.
- (4) The terms of the members are staggered as required by the terms provided for members of the Commission on October 1, 2008. **[See § 13 of Ch. 306, Acts of 2008. The terms of the appointed members serving on October 1, 2008, end as follows: (1) five on July 1, 2009; (2) six on July 1, 2010; and (3) six on July 1, 2011.]**
- (5) A member may be removed by the Governor with or without cause.

§ 2–204. Officers; Executive Committee.

- (a) The Governor shall designate a chair or co–chairs from the voting members of the Commission.
- (b) The Commission may elect an executive committee from its members to exercise the powers and functions of the Commission between meetings of the Commission.

§ 2–205. Meetings, Voting, and Compensation.

- (a) (1) The Commission shall meet as often as its duties require, but not less than quarterly.
- (2) The chair or co–chairs shall designate a time and place for meetings of the Commission.
- (b) A majority of the voting members of the Commission is a quorum.
- (c) A voting member of the Commission:
 - (1) may not receive compensation as a member of the Commission; but
 - (2) is entitled to reimbursement in accordance with the Standard State Travel Regulations as provided in the State budget.
- (d) The Department shall provide staff support to the Commission.

§ 2–206. Duties and Powers of Commission.

- (a) The Commission may:
 - (1) adopt bylaws for the conduct of its business;
 - (2) hire consultants; and
 - (3) do anything necessary or convenient to carry out its powers and the purposes of this subtitle.
- (b) The Commission shall:
 - (1) develop and update an economic development strategic plan for the State;

(2) seek ideas and advice from each region of the State to develop the economic development strategic plan;

(3) incorporate into the economic development strategic plan the Maryland Port Administration strategic plan developed for the Helen Delich Bentley Port of Baltimore;

(4) recommend to the Governor the program and spending priorities needed to implement the economic development strategic plan;

(5) review the allocation of financing incentives;

(6) participate in marketing the State and encouraging new businesses to locate in the State;

(7) seek contributions from the private sector to supplement economic development programs and financial incentives to business; and

(8) carry out other economic development activities that the Governor requests.

(c) The Commission may spend money raised under subsection (b) of this section only in accordance with the State budget.

(d) Departmental regulations that pertain to financing programs shall be approved by the Commission before adoption.

§ 2–207. Reporting Requirements.

(a) On or before January 15 of each year, the Commission shall report to the General Assembly, in accordance with § 2–1246 of the State Government Article, on its activities during the previous year.

(b) The report shall include a review of initiatives taken by the Commission and the Department to implement the economic development strategic plan.

****MEDC involvement required****

Title 5, Subtitle 3. Maryland Economic Development Assistance Authority and Fund (MEDAAF)

§ 5–321. Eligible Industry Sectors.

MARYLAND ECONOMIC DEVELOPMENT ASSISTANCE AUTHORITY AND FUND (MEDAAF).

§ 5–321. Eligible Industry Sectors.

(a) (1) After consulting with the Department and the Department of Labor, Licensing, and Regulation, each year the Maryland Economic Development Commission shall:

(i) evaluate the potential employment and economic growth of Maryland's industry sectors; and

(ii) recommend eligible industry sectors to the Authority.

(2) Each year the Authority shall:

(i) consider the recommendation of the Maryland Economic Development Commission; and

(ii) establish a list of industry sectors that will be eligible for financial assistance from the Fund.

(3) In determining whether an applicant is engaged in an eligible industry sector, the Department shall consider the definitions set forth in the North American Industry Classification System.

(b) (1) For the purpose of providing financial assistance under this subtitle, the following are deemed to be in eligible industry sectors:

- (i) animal waste technology projects;
- (ii) aquaculture projects;
- (iii) arts and entertainment enterprises;
- (iv) arts and entertainment projects;
- (v) redevelopment of qualified brownfields sites;
- (vi) creation or expansion of child care facilities;

(vii) projects in areas that are declared to be federal disaster areas within 1 year before the Department receives an application for financial assistance under this subtitle; and

(viii) feasibility studies.

(2) The requirements specifically imposed on significant strategic economic development opportunities and local economic development opportunities under this subtitle do not apply to the items listed in paragraph (1) of this subsection.